QUARTERLY MSA REPORT

ALN Apartment Data **www.alndata.com**

Tucson, AZ
Q2 2022

ALN APARTMENT DATA
www.alndata.com

AMA Arizona Multihousing Association

quarterly msa report

WHAT'S INSIDE

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Sources

Multifamily data sourced from ALN Apartment Data as of Q2 2022

Employment Data sourced from U.S Bureau of Labor Statistics (BLS)

Demographic data sourced from US Census Bureau as of Year End 2020

For questions regarding this report and the data herein, contact us at DataTeam@alndata.com

Methodology and Definitions

Metropolitan Statistical Area (MSA) - The formal definition of a region that consists of a city and surrounding communities that are linked by social and economic factors, as established by the U.S. Office of Management and Budget. There are 383 MSAs in the U.S.

Occupancy – The percentage of units on a property that are rented. MSA average occupancy is a unit-weighted average of property occupancies for an MSA.

Effective Rent - The monthly rate residents are charged for a 12-month lease, accounting for the available concession package. This is the amount a property collects in rent per unit each month. MSA average effective rent is a unit-weighted average of property-level averages for an MSA.

Stabilized Properties – Properties that have completed construction for 12 months or reached 85% occupancy whichever comes first. In other words, properties that are no longer in their initial lease-up phase.

Lease-up Properties – Properties during and after initial construction and leasing that have not yet stabilized.

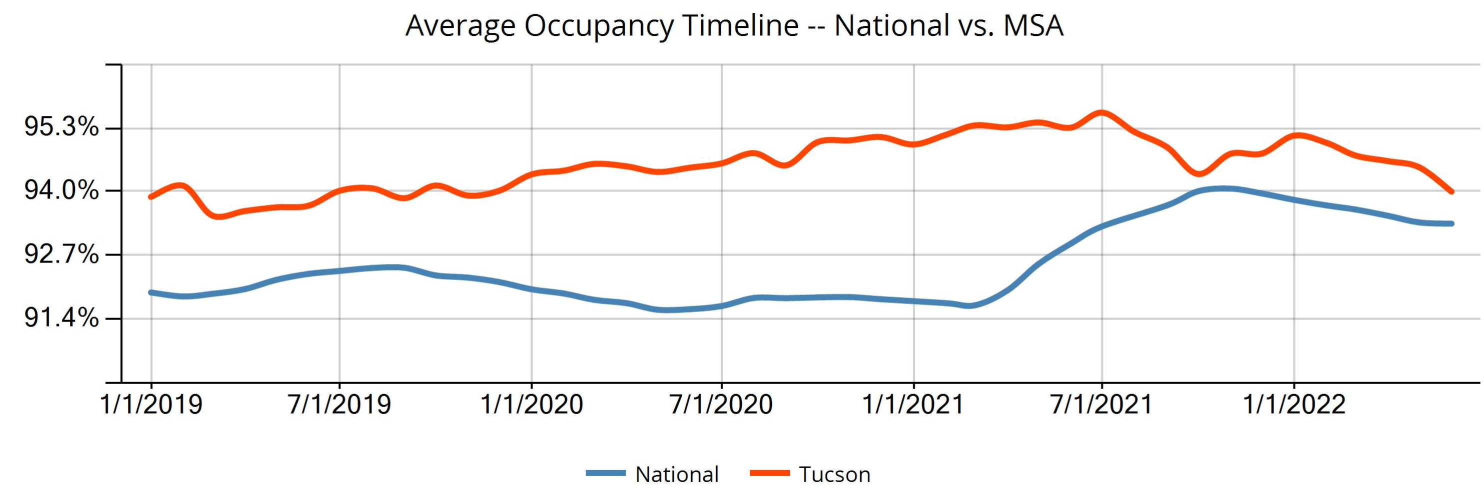
Net Absorption/ Units Absorbed - The net change, positive or negative, in the number of rented units in a defined group and period of time.

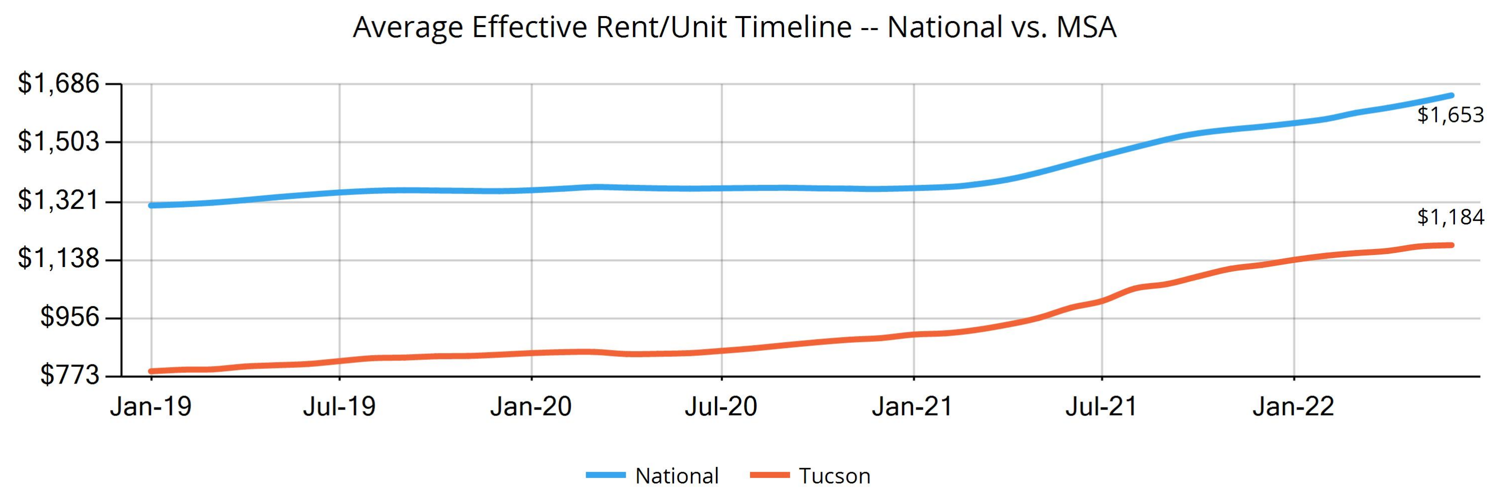
Price Class - ALN delineates its price classes using a property's percentile rank in average effective rent per square foot in the corresponding ALN Market.

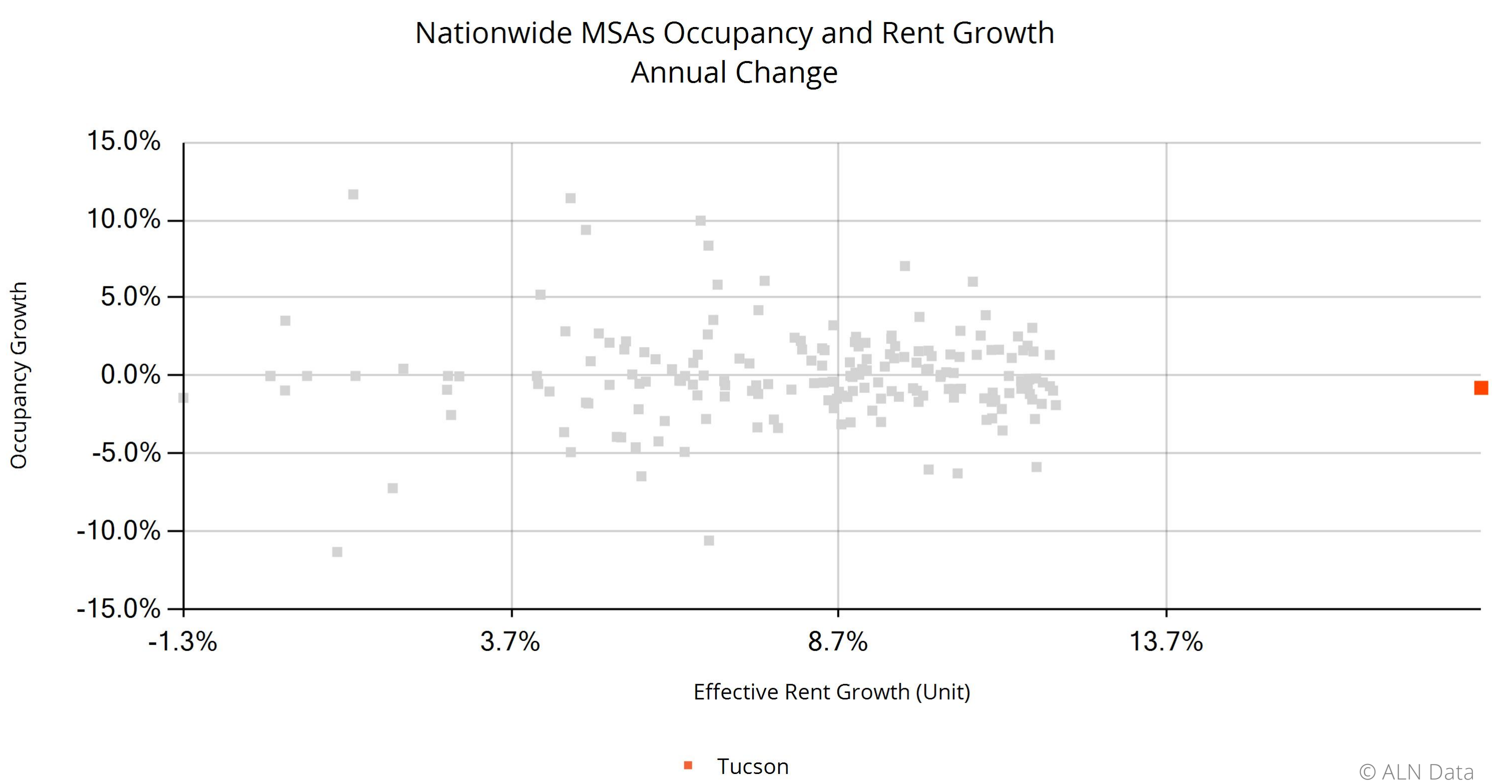
- Price Class A: 88 – 100th Percentile (top 12%)
- Price Class B: 68 – 87th Percentile (next 20%)
- Price Class C: 30 – 67th Percentile (next 38%)
- Price Class D: 0 – 29th Percentile (bottom 30%)

ALN Market - ALN has consolidated the 939 Metropolitan and Micropolitan Statistical Areas into 183 market divisions nationwide. All Metropolitan/Micropolitan Statistical Areas except for the Miami-Fort Lauderdale-Pompano Beach MSA are wholly contained within an ALN Market.

Note: Portions of this report are subject to the avaibility of data from the cited government sources. Not all data may be available in all areas.

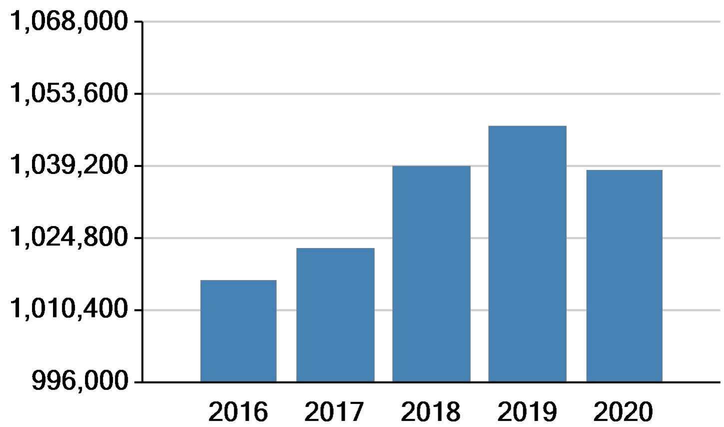

Average Occupancy Timeline -- National vs. MSA
95.3%
94.0%
92.7%
91.4%
1/1/2019
7/1/2019
1/1/2020
7/1/2020
1/1/2021
7/1/2021
1/1/2022
National
Tucson


Average Effective Rent/Unit Timeline -- National vs. MSA
$1,686
$1,503
$1,321
$1,138
$956
$773
$1,653
$1,184
Jan-19
Jul-19
Jan-20
Jul-20
Jan-21
Jul-21
Jan-22
National
Tucson

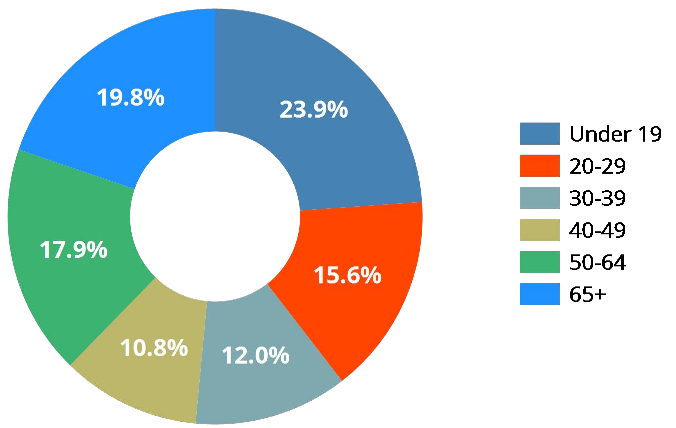

Nationwide MSAs Occupancy and Rent Growth
Annual Change
15.0%
10.0%
5.0%
0.0%
-5.0%
-10.0%
-15.0%
Occupancy Growth
-1.3%
3.7%
8.7%
13.7%
Effective Rent Growth (Unit)
Tucson
© ALN Data

	Total Population	Median Age	Worker Median Age	Year Round Full Time Workers	Median Individual Income	Mean Individual Income	Total Commuters	Average Commute Time
Year End 2020	1,038,476	38.7	38.0	295,142	$28,683	$30,747	448,553	25
MSA Rank (out of 914)	53	176	292	60	235	198	58	114
Annual Change	-0.8%	-0.5%	0.3%	-1.1%	-0.1%	-0.8%	-3.0%	-1.6%
Chg Rank (out of 914)	264	54	141	123	144	229	255	177

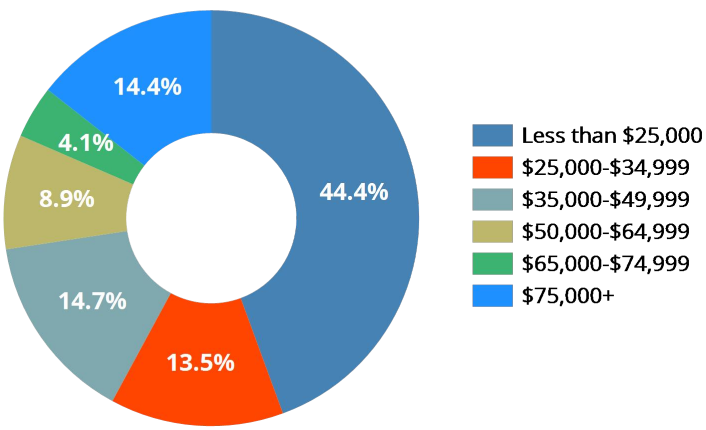
Total Population



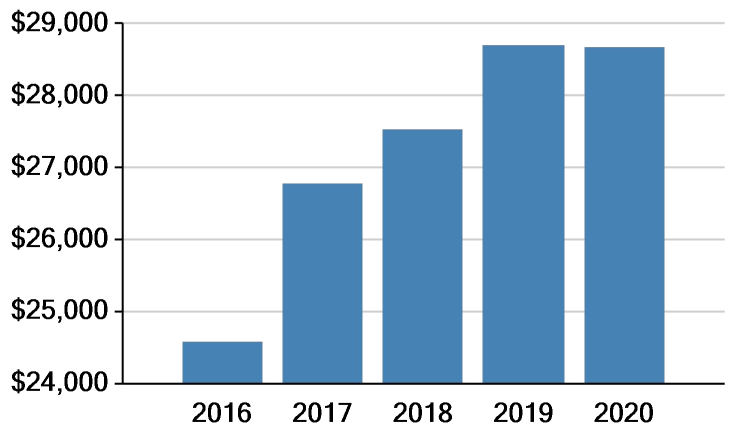
Population Age Breakdown



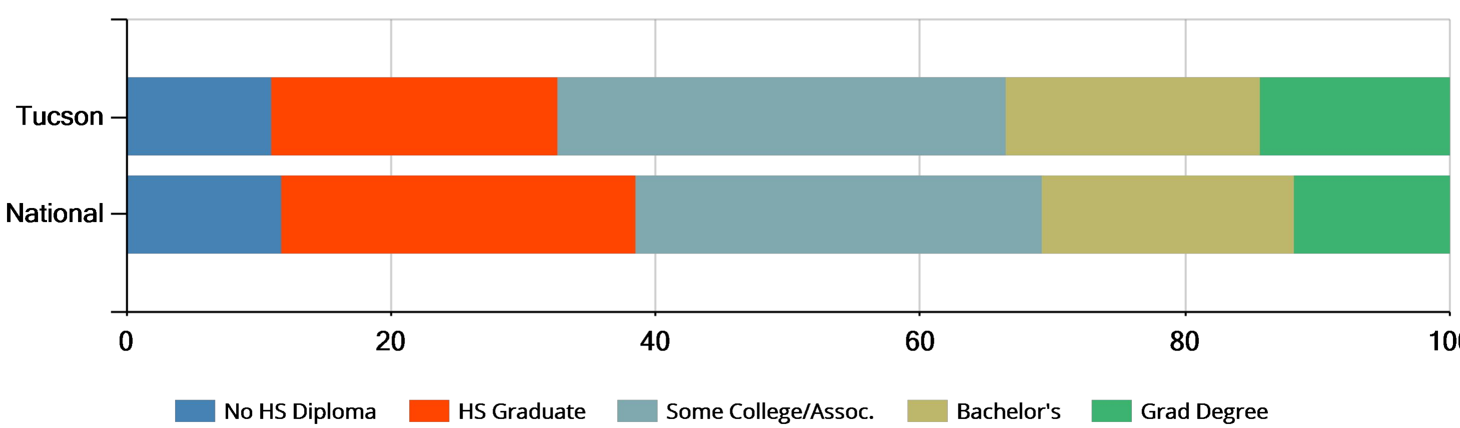
Individual Income Breakdown



Median Individual Income



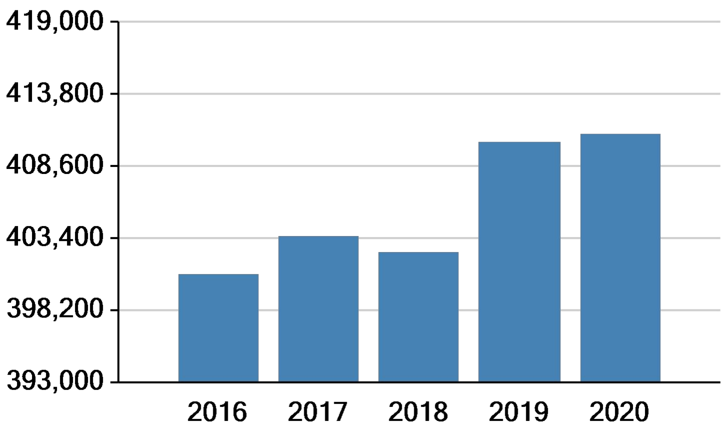
Educational Attainment (Age 25 and over)



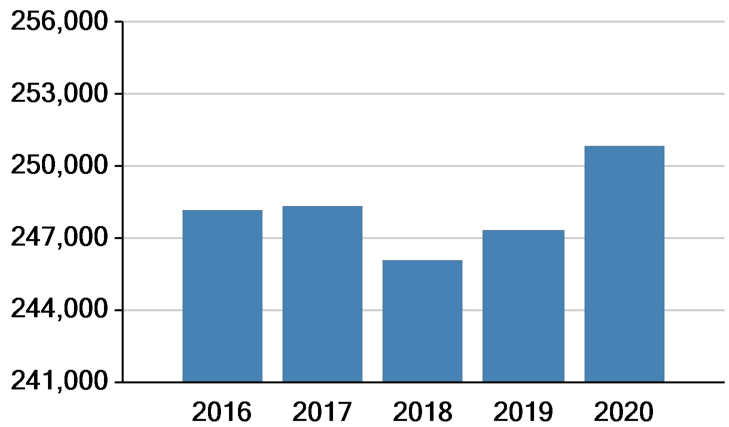
	Total Households	Average Household Size	Workers Per Household	Total Families	Average Family Size	Median Household Income	Mean Household Income	Median Housing Value*
Year End 2020	410,942	2.5	1.1	250,845	3.1	$55,023	$75,662	$206,600
MSA Rank (out of 914)	51	246	254	54	175	242	223	161
Annual Change	0.1%	-1.2%	-3.6%	1.4%	-2.5%	-2.0%	-1.6%	-7.6%
Change Rank (out of 914)	155	279	66	128	314	270	253	338

*Households with a mortgage

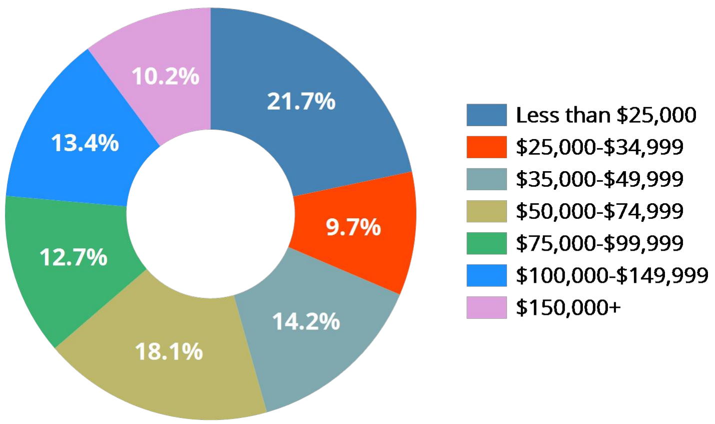
Total Households



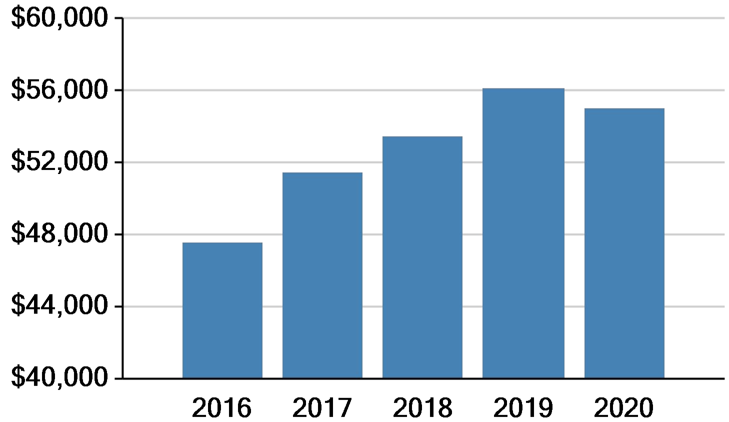
Total Families



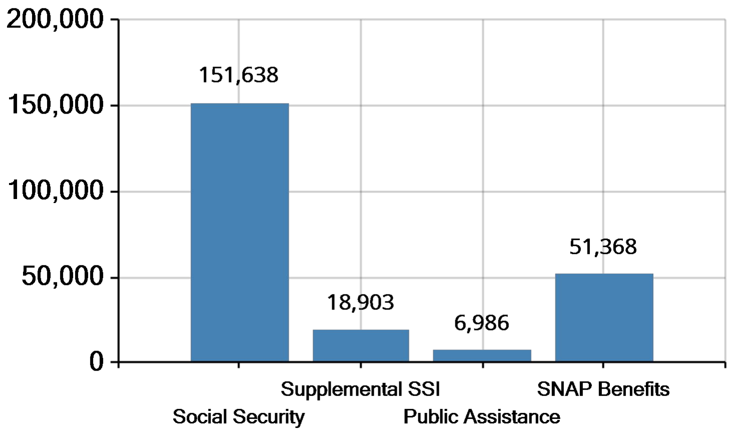
Household Income Breakdown



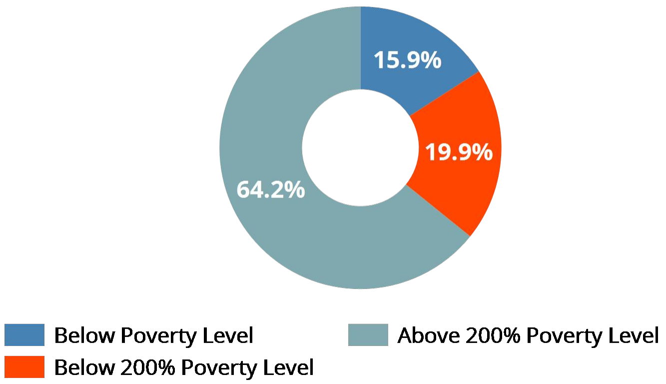
Median Household Income



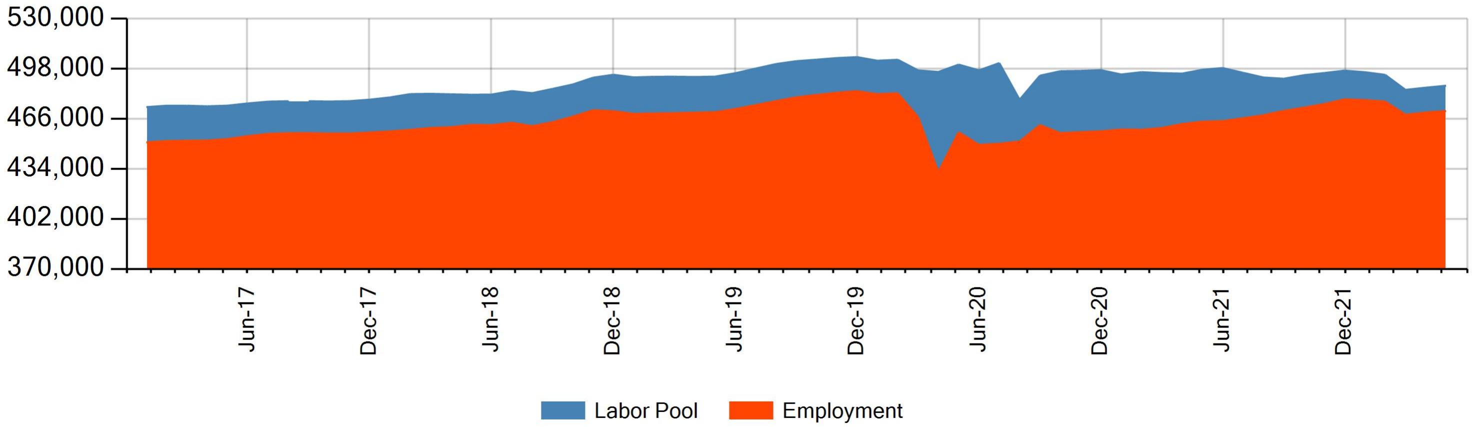
Households with Government Assistance



Household Income in Relationship to Poverty Level

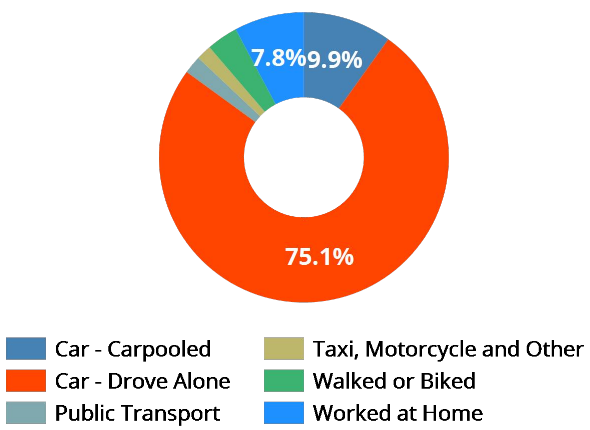


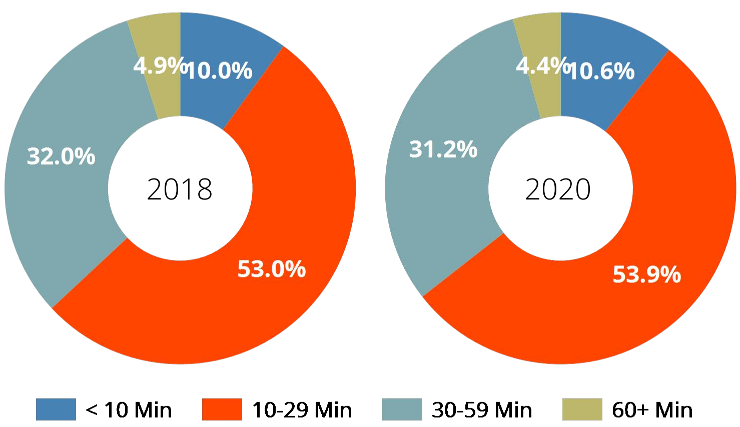
Employment Timeline



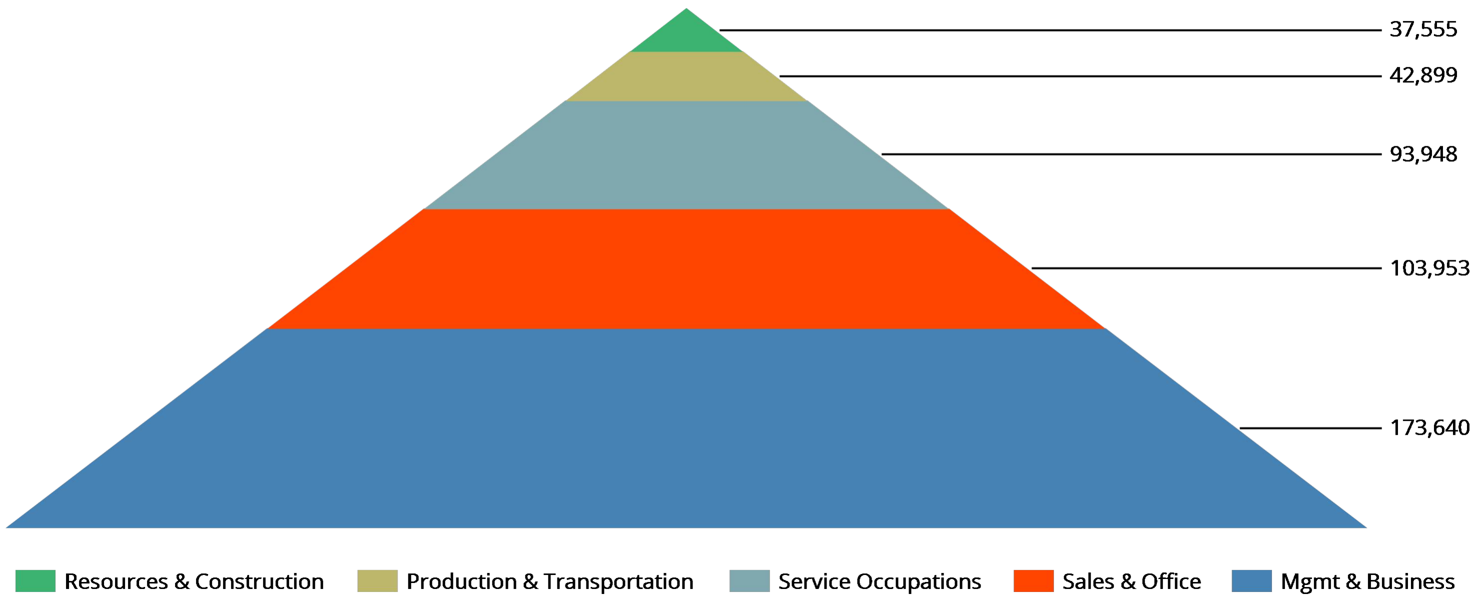
Means of Transportation to Work

Commute Time Breakdown

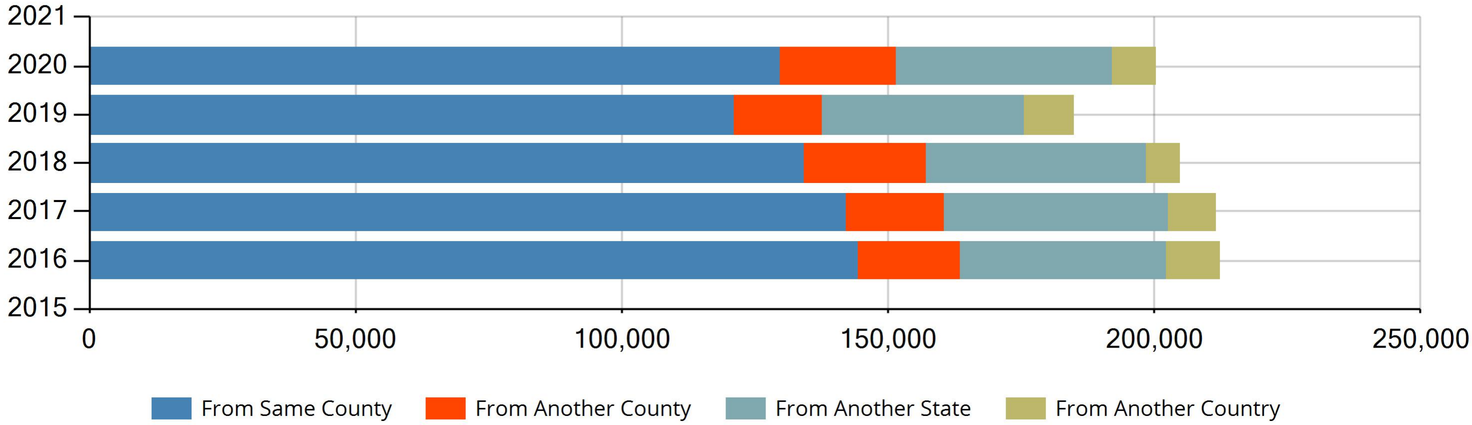




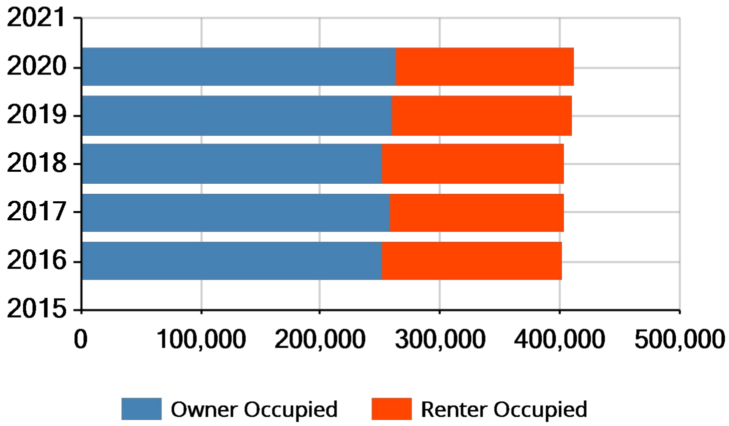
Industry Employment Breakdown



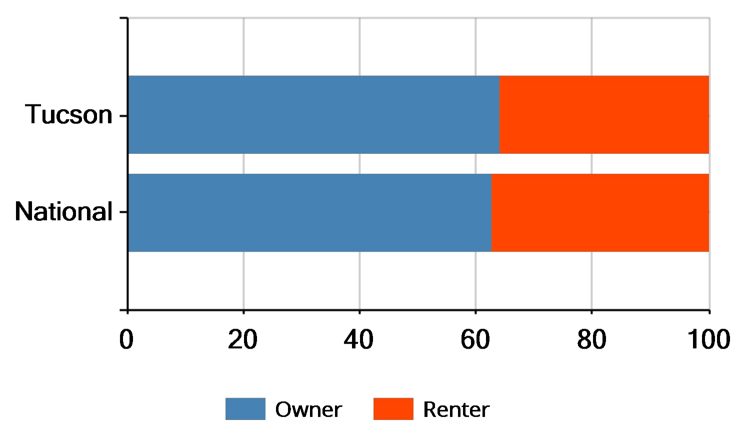
In-Migration Origin Source - Within Prior 12 Months



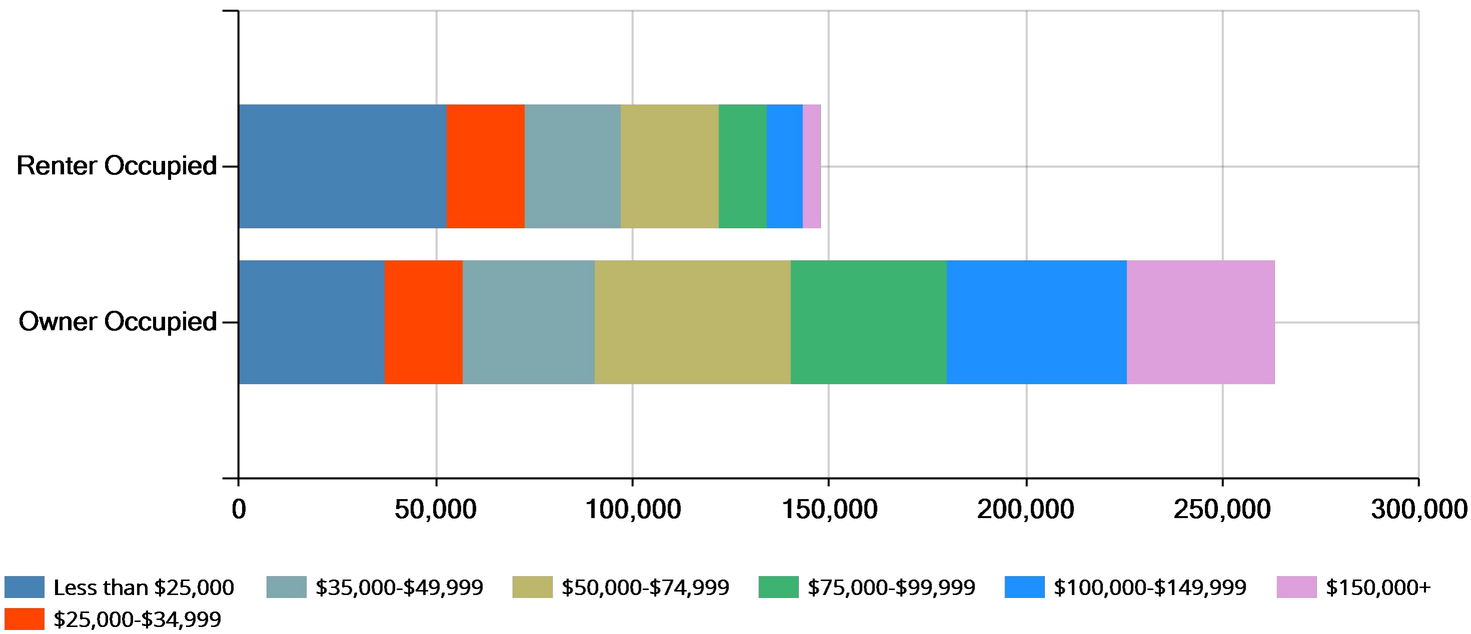
Owner Occupied vs. Rented



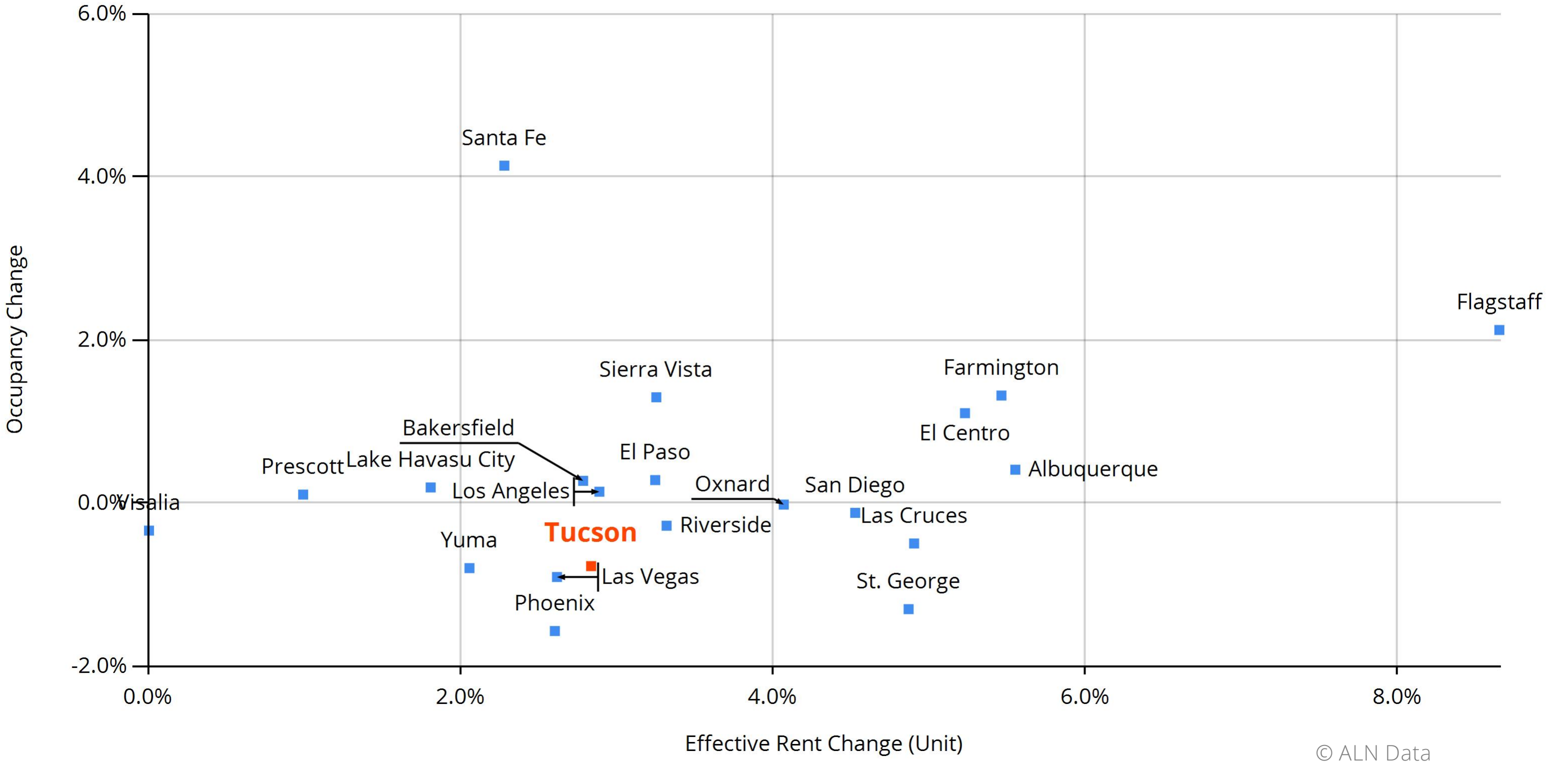
Owner/Renter Occupied MSA vs National



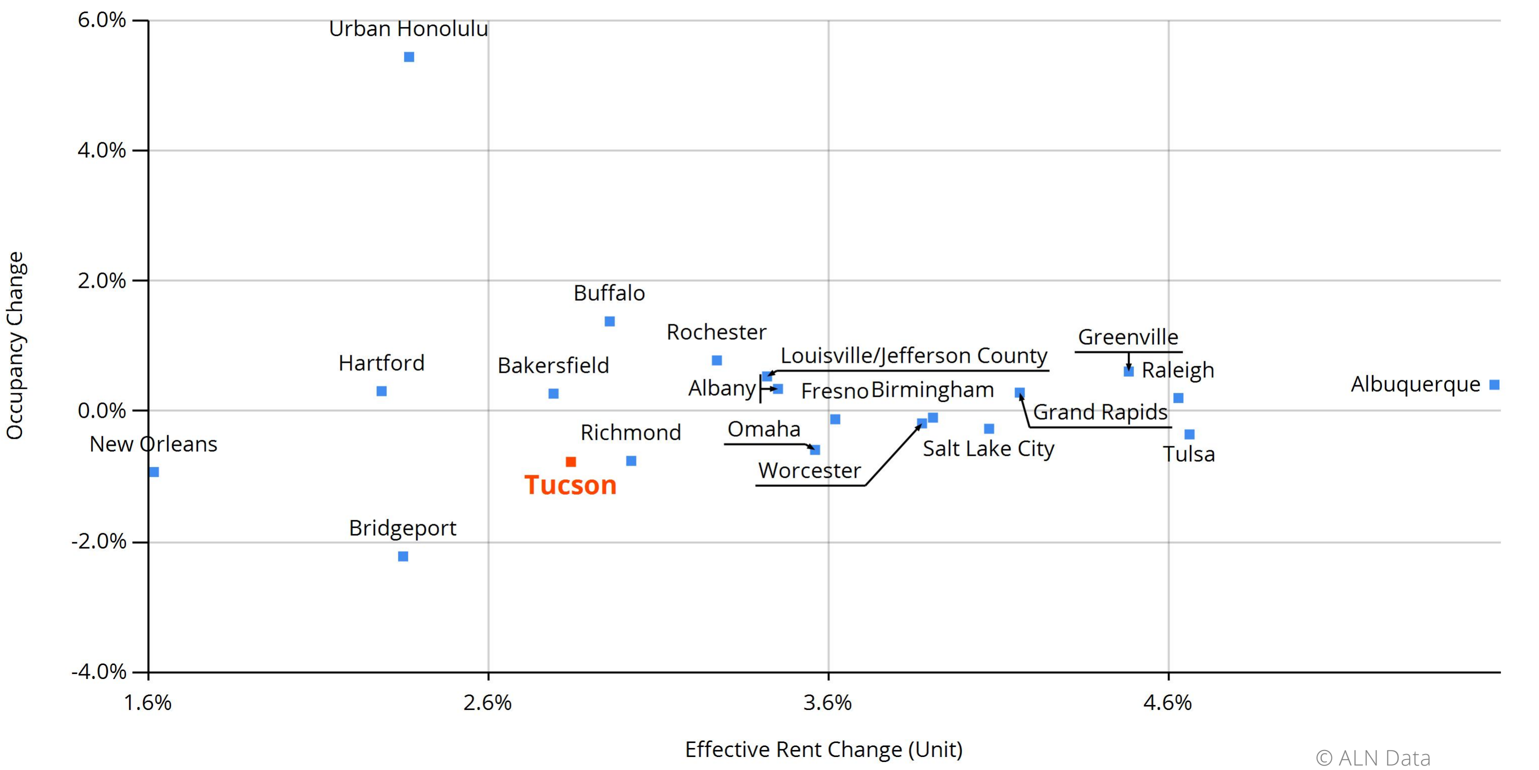
Owner/Renter Occupied Household Income Breakdown



Nearest 20 MSAs - Occupancy and Rent Growth
Q2 2022



20 MSAs with Similar Population - Occupancy and Rent Growth
Q2 2022



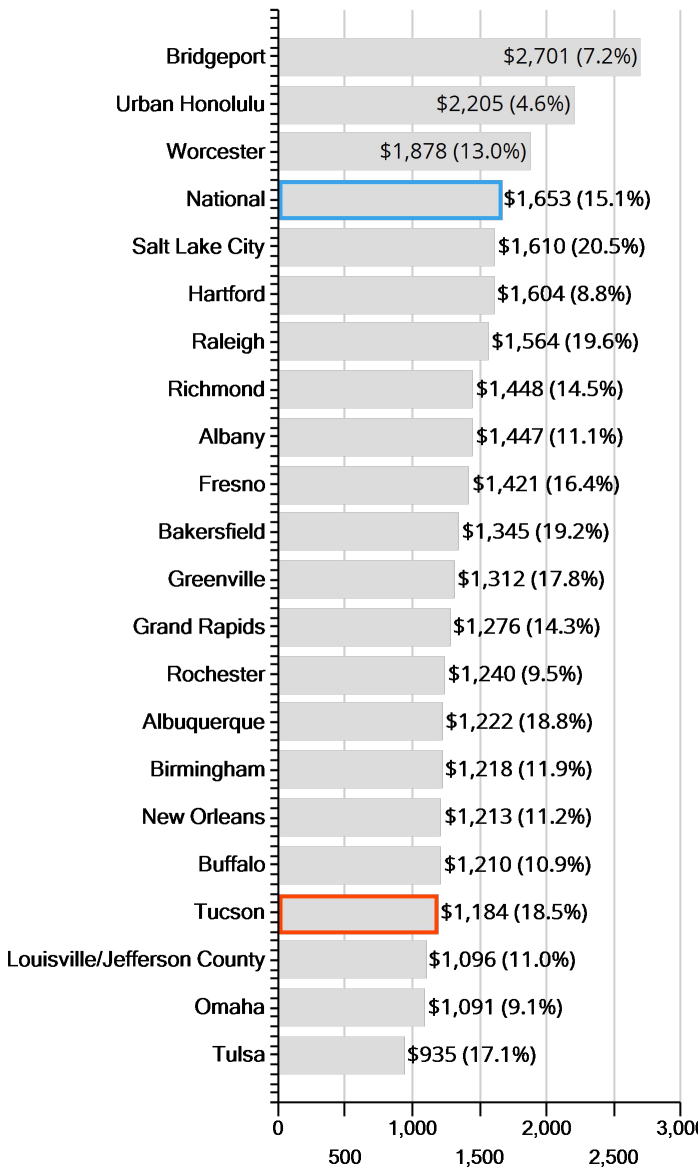
Stabilized and Lease-up Properties

Conventional Properties	Q2 2022	MSA Rank
Total Units	67,046	43
New Units	166	141
Units Absorbed (Annual)	-273	363
Avg. Occupancy	94.0%	242
Avg. Occupancy Growth	-0.8%	241
Effective Rent	$1,184	174
Effective Rent Growth	18.5%	67
% Offering Concessions	3.8%	143
Avg. Concession Package	2.4%	173

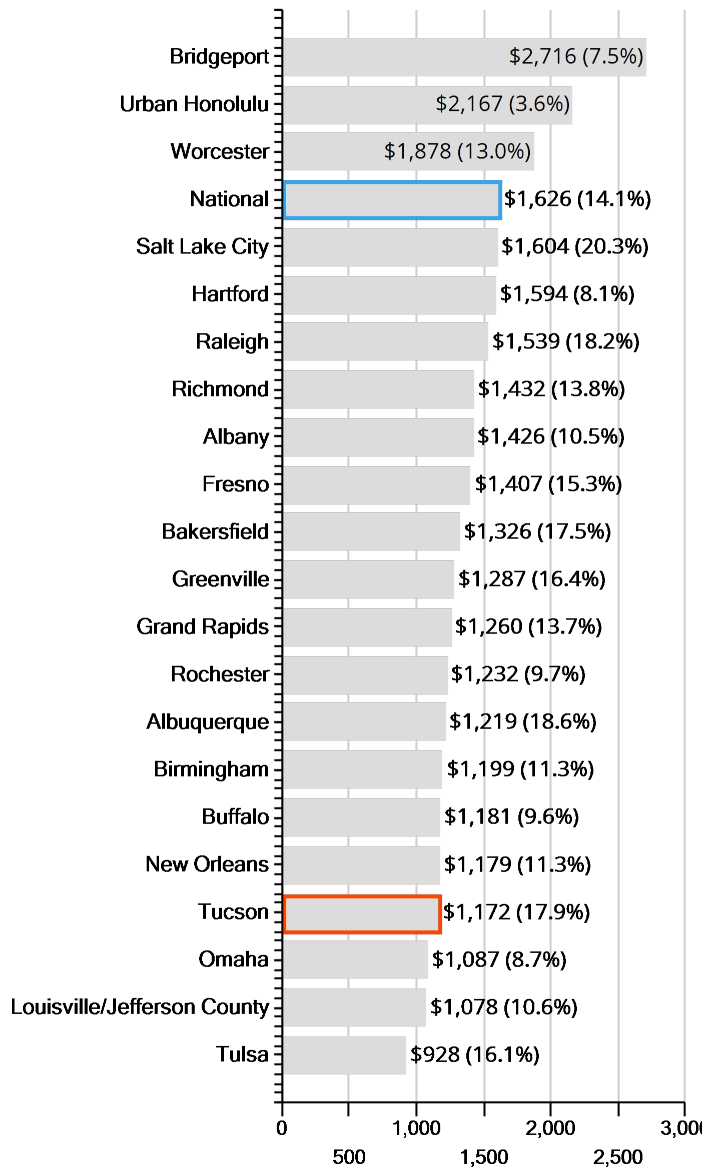
Stabilized Only Properties

Conventional Properties	Q2 2022	MSA Rank
Total Units	63,818	43
New Units	--	--
Units Absorbed (Annual)	-786	363
Avg. Occupancy	94.4%	311
Avg. Occupancy Growth	-1.3%	299
Effective Rent	$1,172	174
Effective Rent Growth	17.9%	62
% Offering Concessions	3.9%	122
Avg. Concession Package	2.4%	159

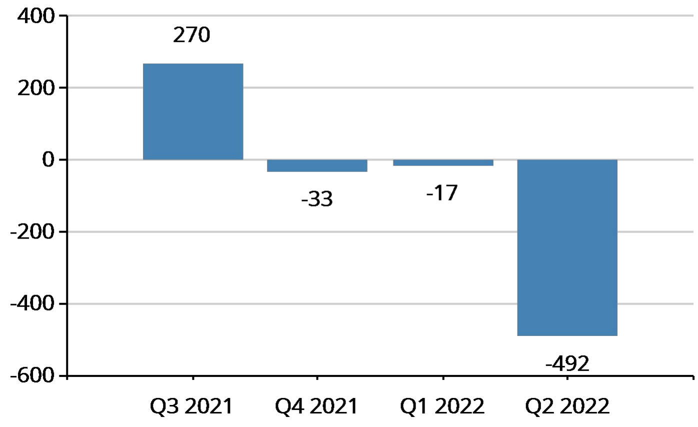
Effective Rent (Annual Chg)



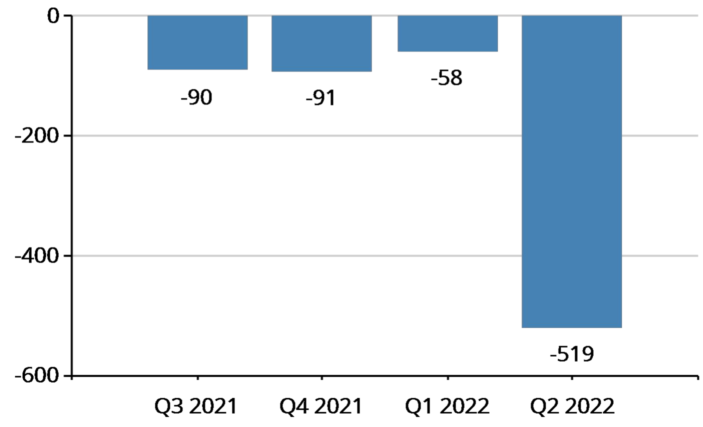
Effective Rent (Annual Chg) Stabilized Properties



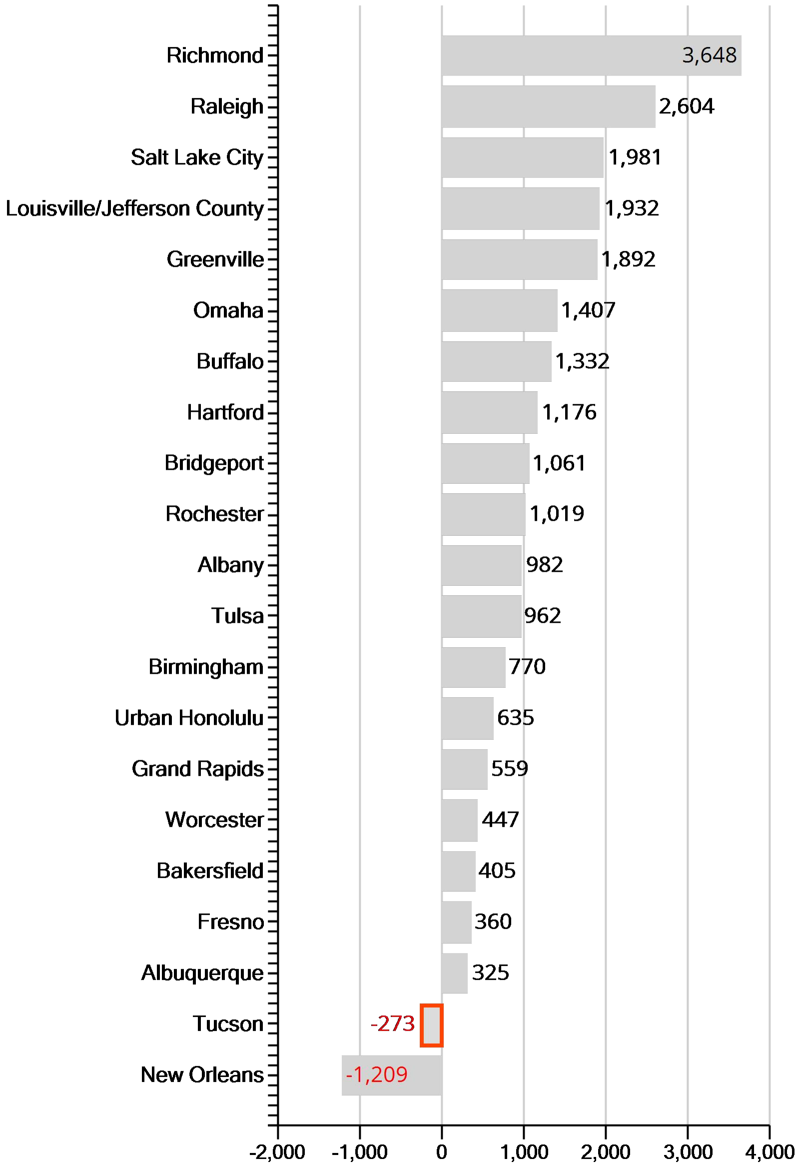
All Properties Quarterly Absorption



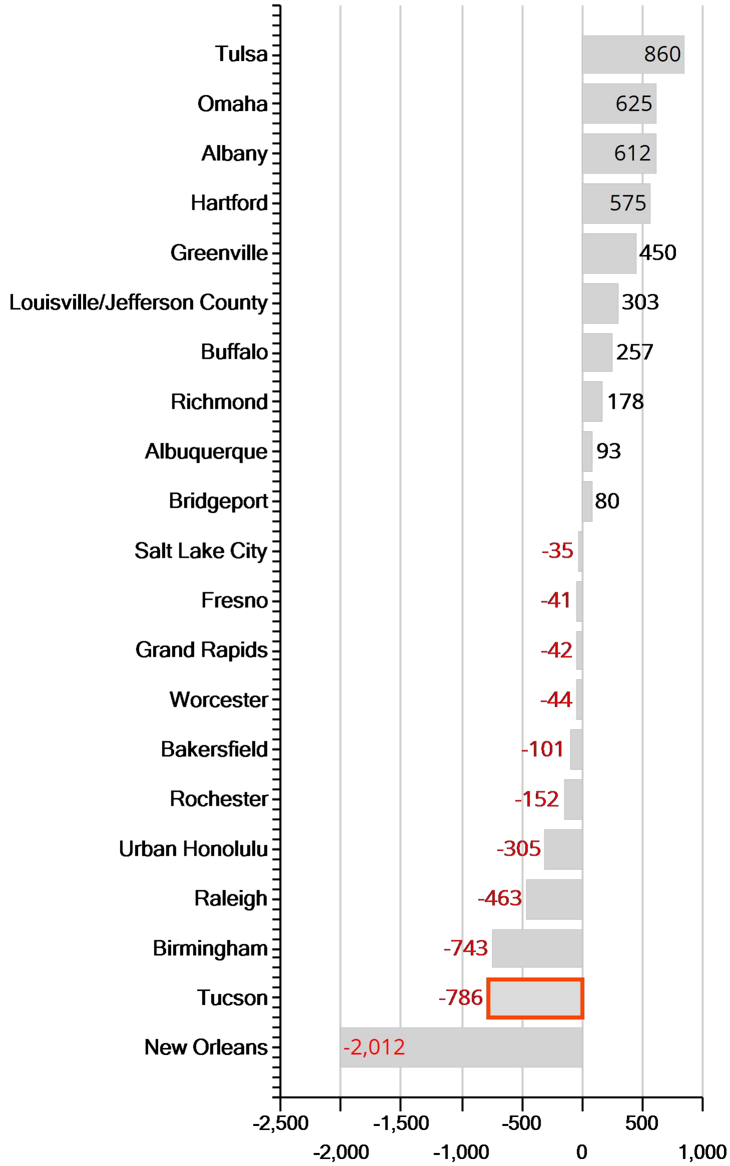
Stabilized Quarterly Absorption

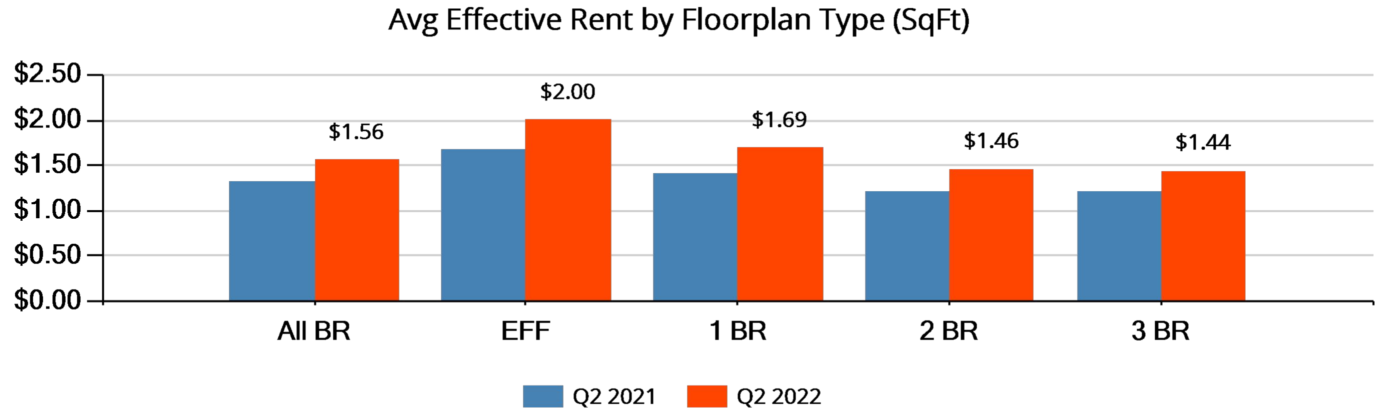


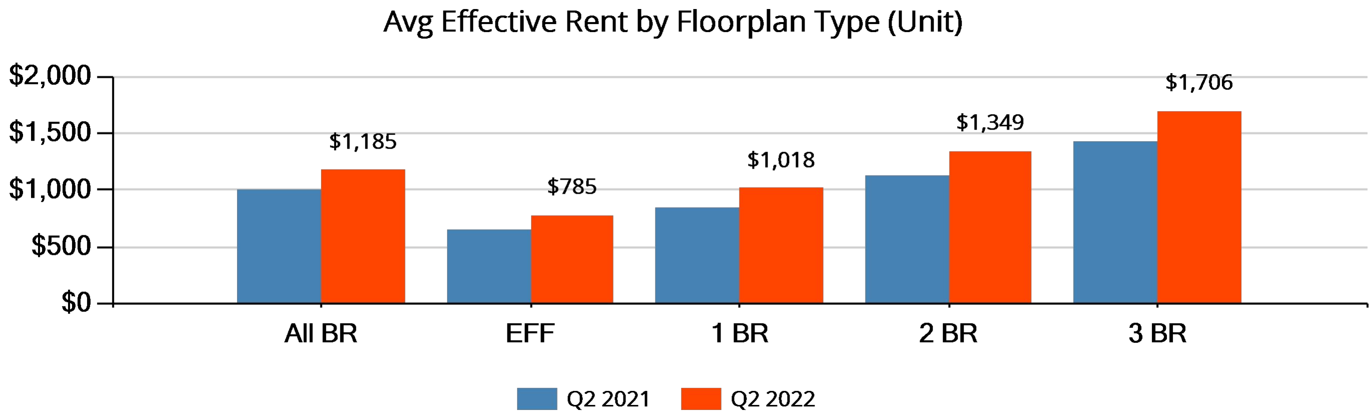
Annual Absorption - 20 Similar Size MSAs

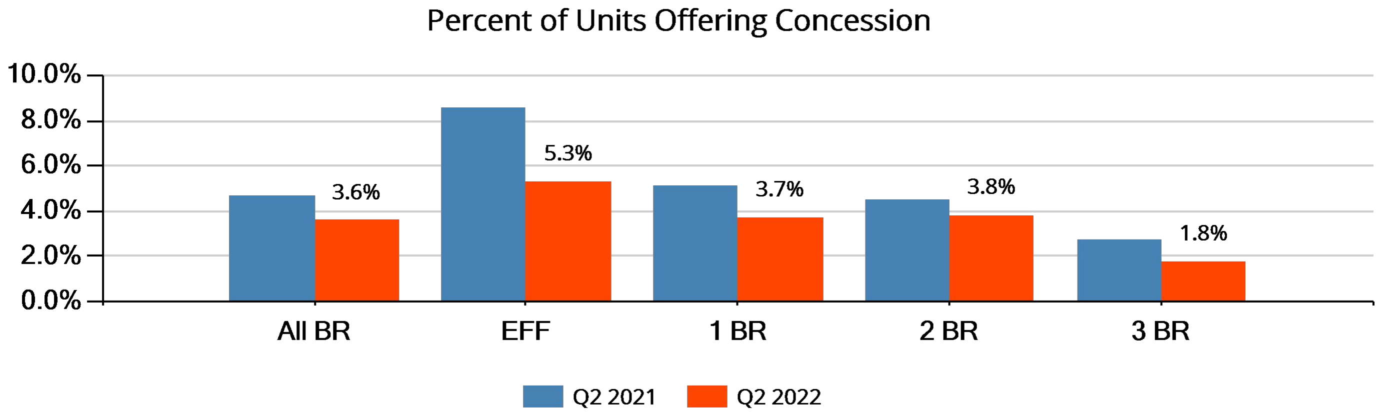


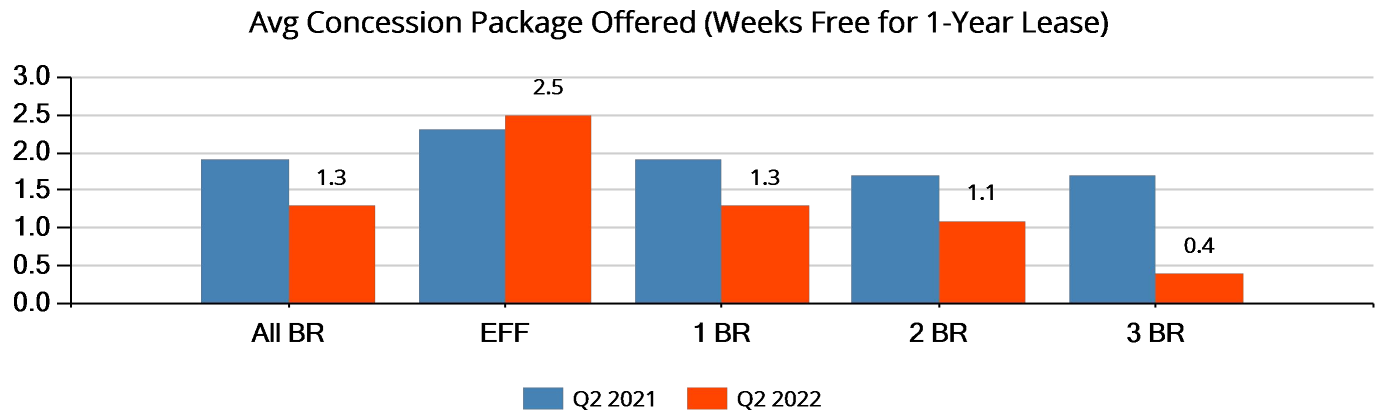
Stabilized Annual Absorption - 20 Similar MSAs




Avg Effective Rent by Floorplan Type (SqFt)
$2.50
$2.00
$1.50
$1.00
$0.50
$0.00
$1.56
$2.00
$1.69
$1.46
$1.44
All BR
EFF
1 BR
2 BR
3 BR
Q2 2021
Q2 2022

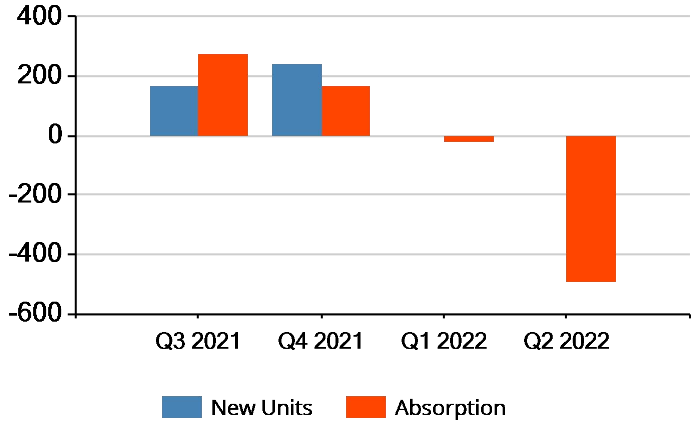

Avg Effective Rent by Floorplan Type (Unit)
$2,000
$1,500
$1,000
$500
$0
$1,185
$785
$1,018
$1,349
$1,706
All BR
EFF
1 BR
2 BR
3 BR
Q2 2021
Q2 2022


Percent of Units Offering Concession
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
3.6%
5.3%
3.7%
3.8%
1.8%
All BR
EFF
1 BR
2 BR
3 BR
Q2 2021
Q2 2022

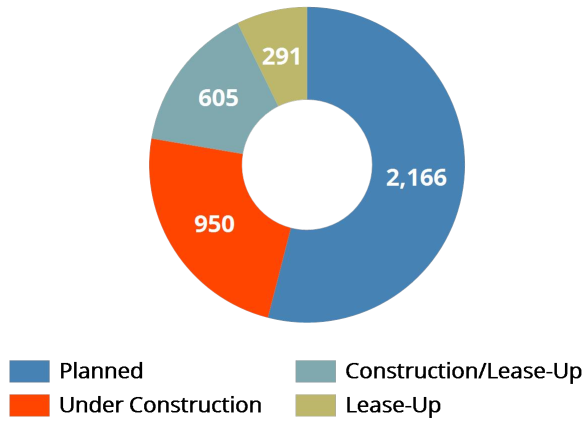

Avg Concession Package Offered (Weeks Free for 1-Year Lease)
3.0
2.5
2.0
1.5
1.0
0.5
0.0
1.3
2.5
1.3
1.1
0.4
All BR
EFF
1 BR
2 BR
3 BR
Q2 2021
Q2 2022

MSA Name	Pipeline Units	MSA Rank (out of 914)	Pipeline % of Market	Construction to Stable (months)	Lease-Up to Stable (months)	Lease-Ups Absorbed (units/mo)
Winston	4,127	78	13.5%	24.0	14.0	5
Fayetteville	4,064	79	12.1%	25.9	13.6	13
Tucson	4,012	80	5.7%	25.2	14.0	3
Albuquerque	3,949	81	8.0%	30.6	10.0	8
Harrisburg	3,923	82	16.1%	22.5	15.0	2

New Units vs Absorption (Qtr)



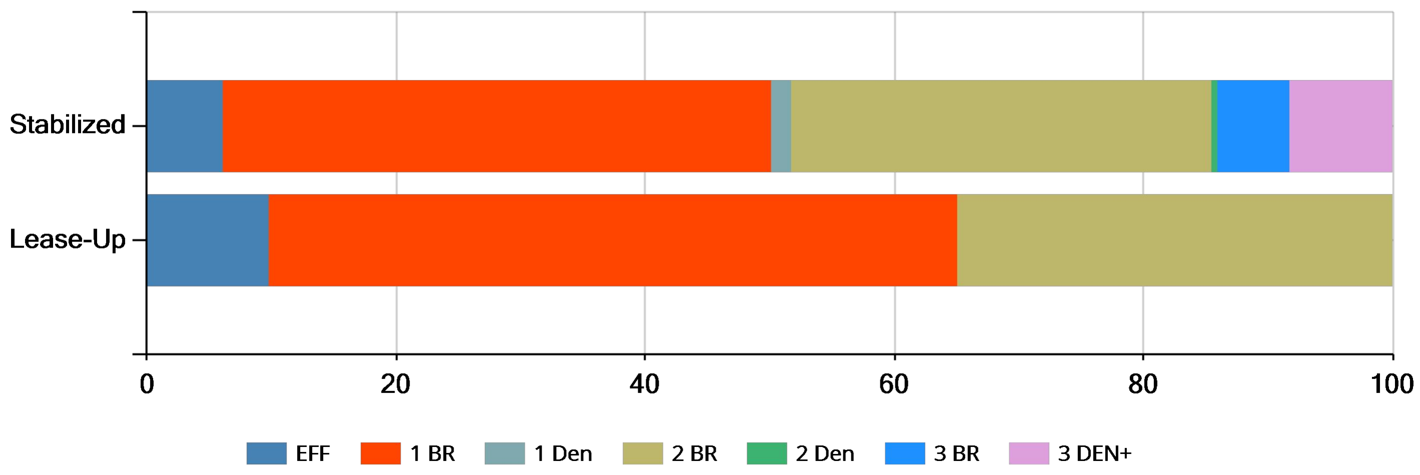
New Construction Pipeline



Submarket	% of MSA Pipeline
Central Tucson	46.8%
Oro Valley / Far North Tucson	30.1%
South Tucson	19.7%
Drexel Heights/Airport	1.9%
Northwest Tucson	1.5%

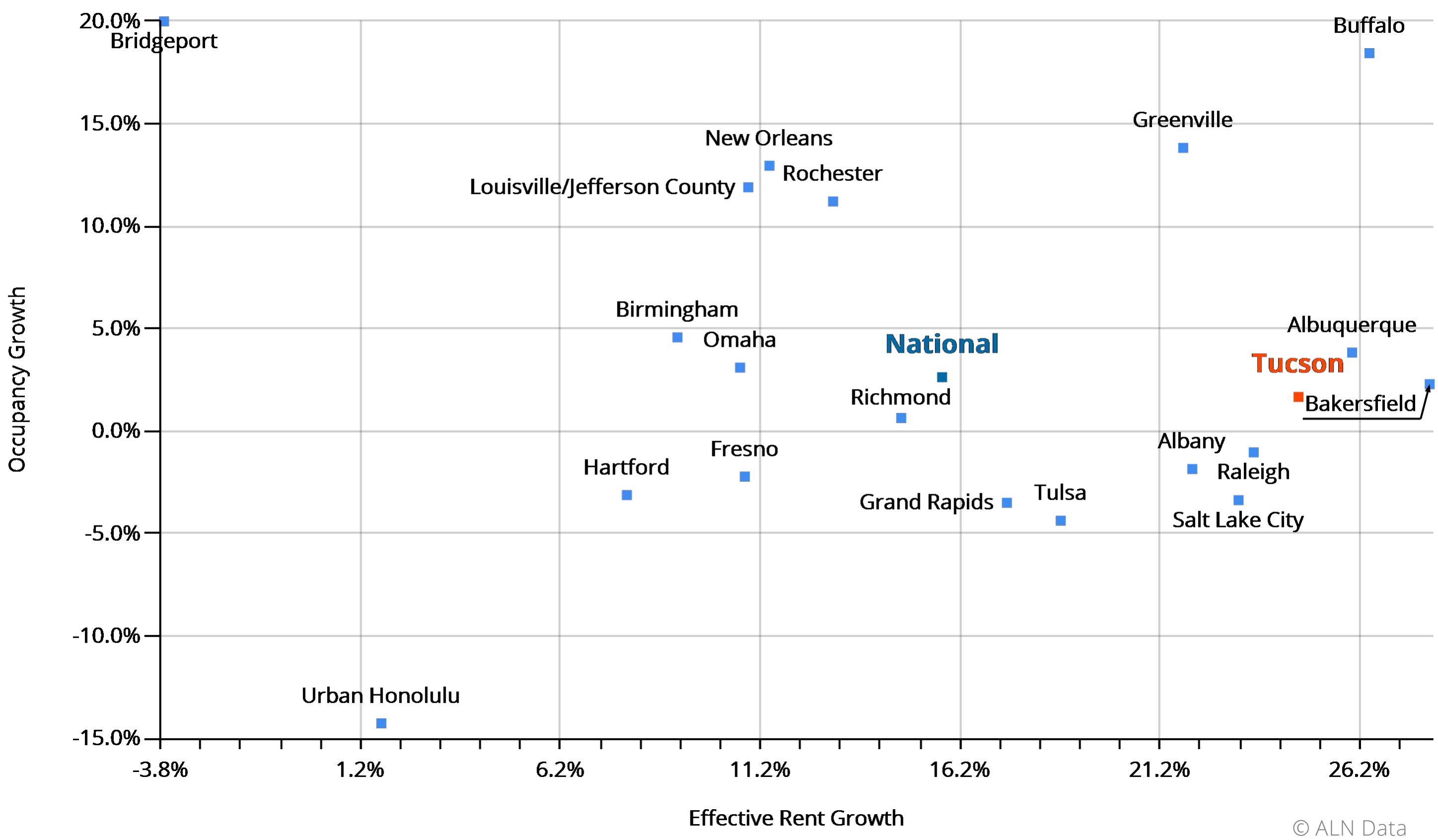
Property Type	# Projects	# Units
Garden	15	2,460
Mid-Rise	8	1,552
Total	**23**	**4,012**

Unit Mix Stabilized vs Lease-Up Properties

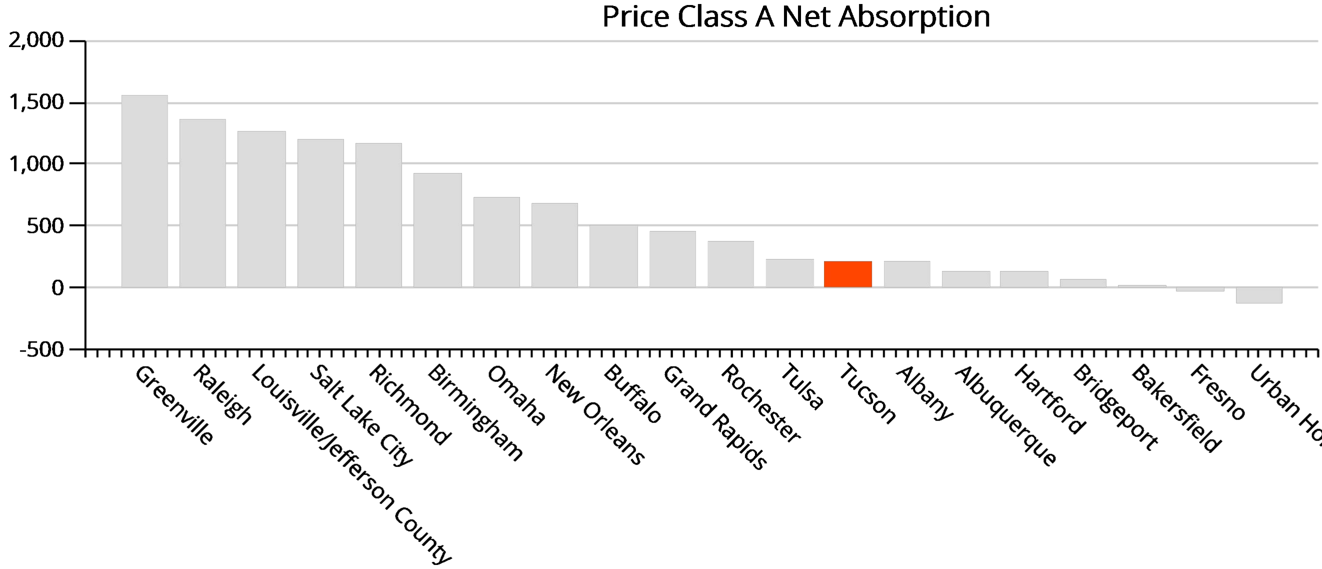


	# Props	# Units	Net Absorption	End Occupancy	Occupancy Change	End Eff. Rent	Eff. Rent Change	% Offering Concessions	Avg. Concession Package
Class A	**41**	**7,606**	**222**	**90.9%**	**1.7%**	**$1,266**	**24.7%**	**2.4%**	**3.0%**
Class B	68	15,097	-107	94.7%	-0.7%	$1,194	23.5%	5.9%	2.2%
Class C	123	24,939	-365	94.5%	-1.5%	$1,227	17.2%	2.4%	2.1%
Class D	82	13,235	-91	93.9%	-0.7%	$1,044	11.0%	4.9%	3.0%

Price Class A Effective Rent vs Occupancy Growth



Price Class A Net Absorption



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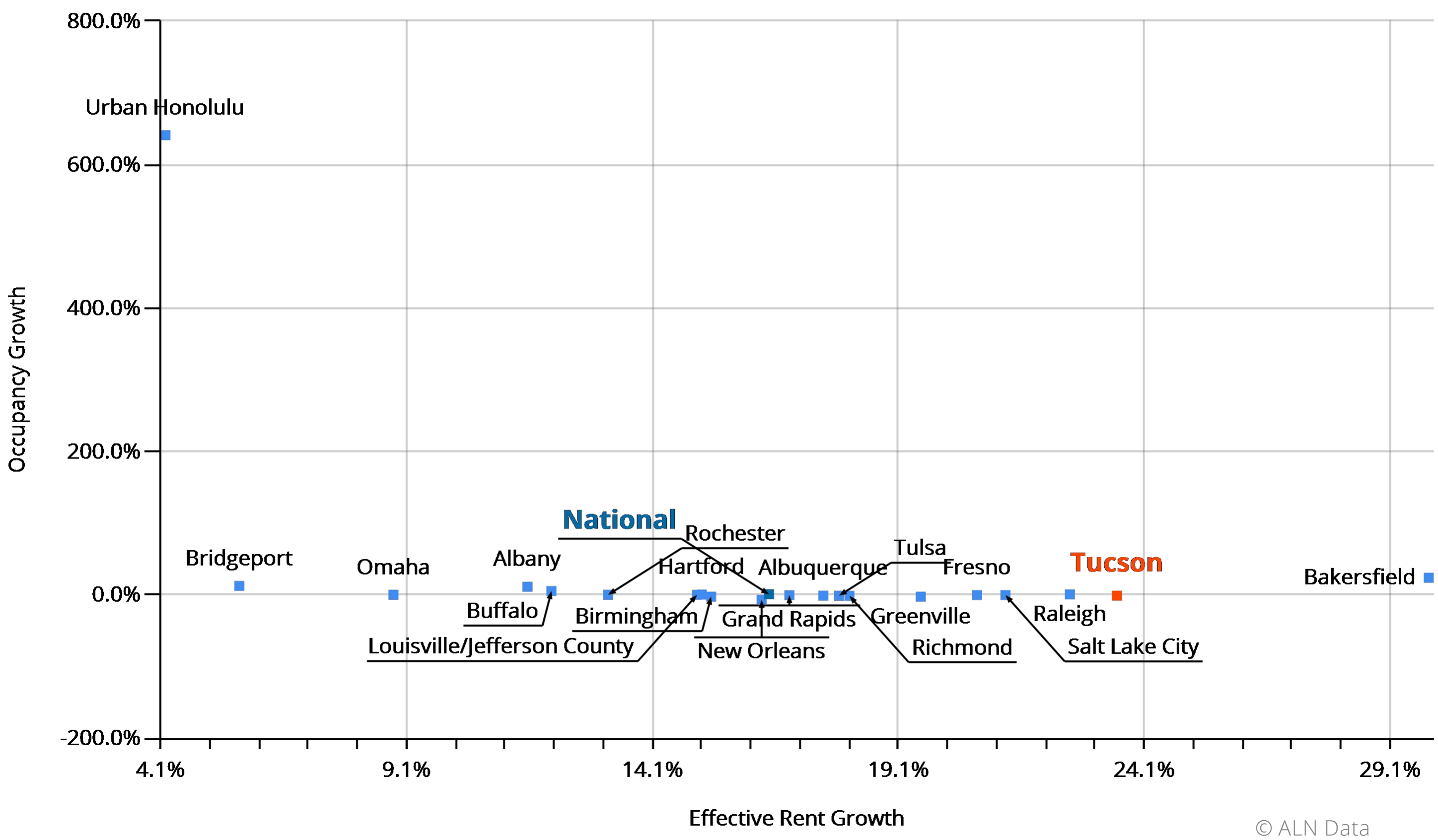
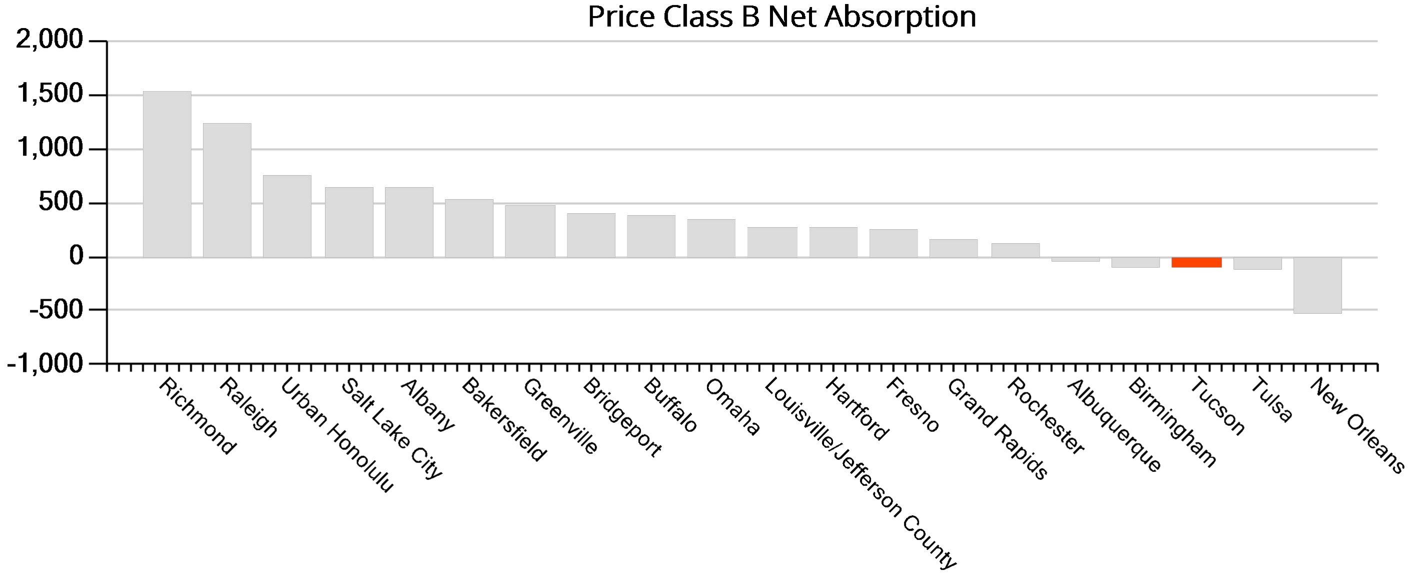
Class D	82	13,235	-91	93.9%	-0.7%	$1,044	11.0%	4.9%	3.0%

Price Class B Effective Rent vs Occupancy Growth



Price Class B Net Absorption



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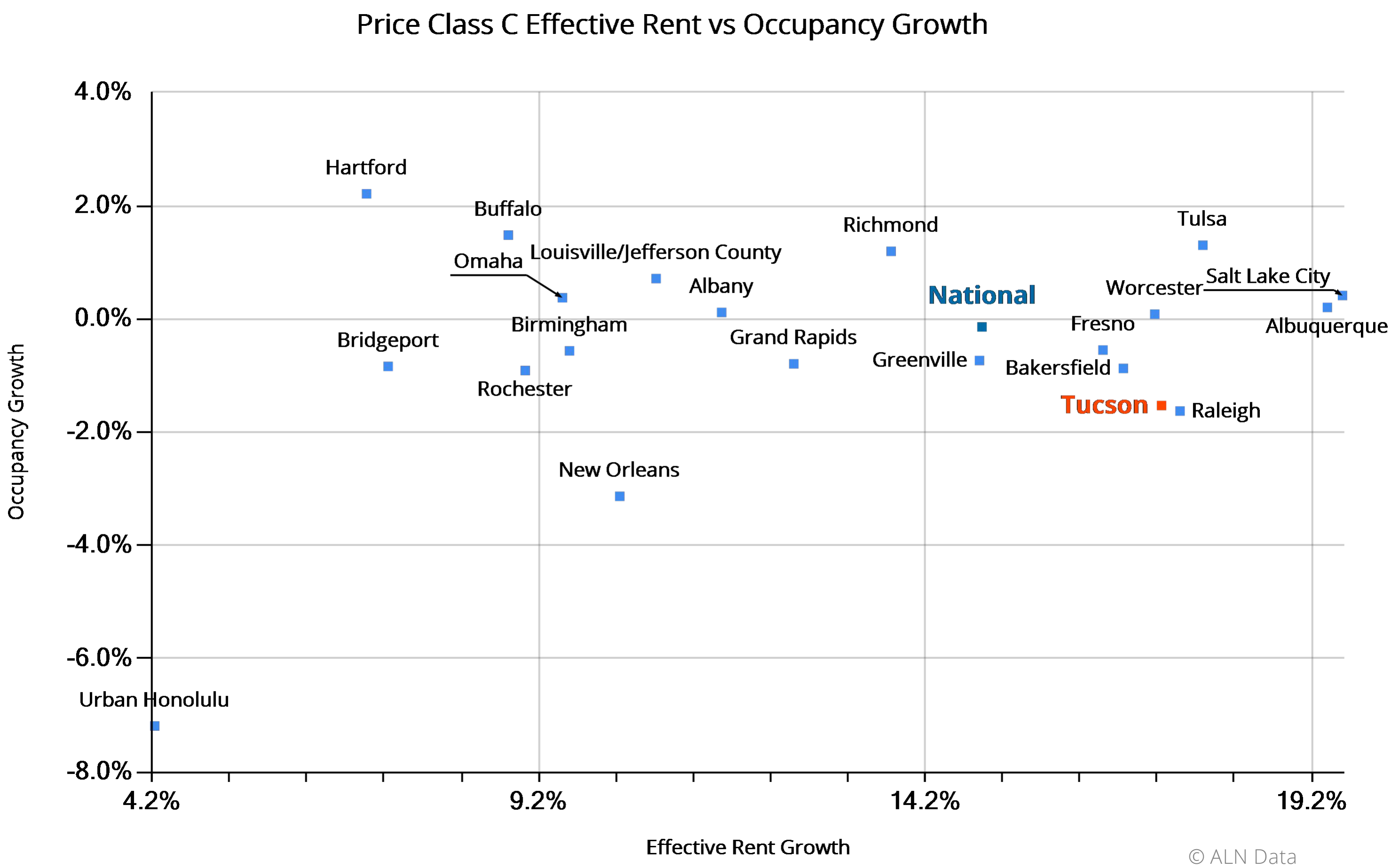

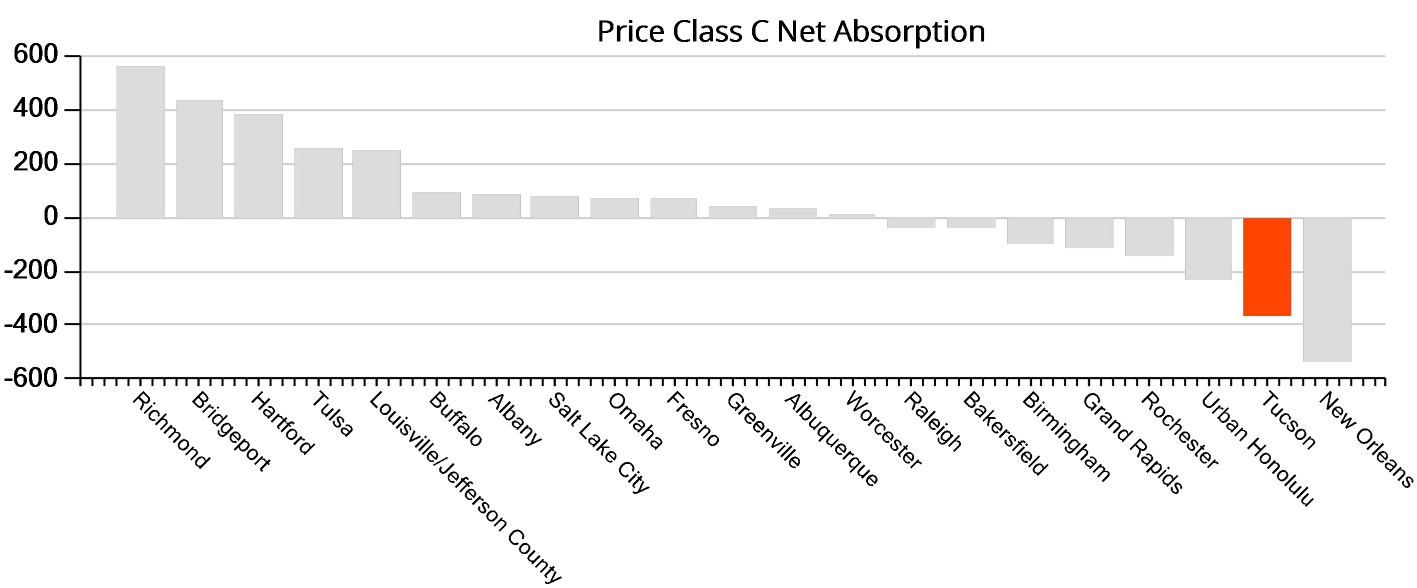

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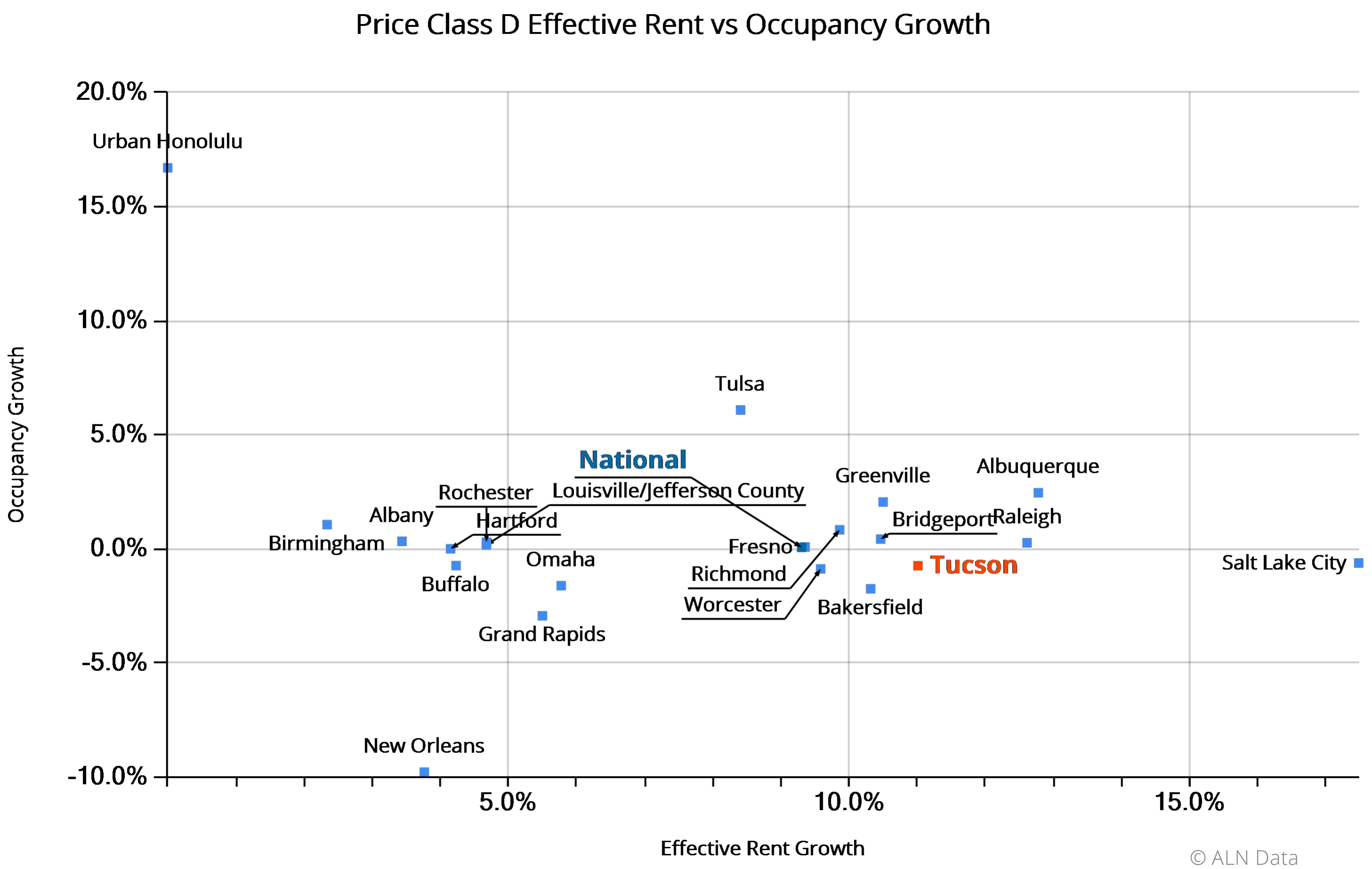
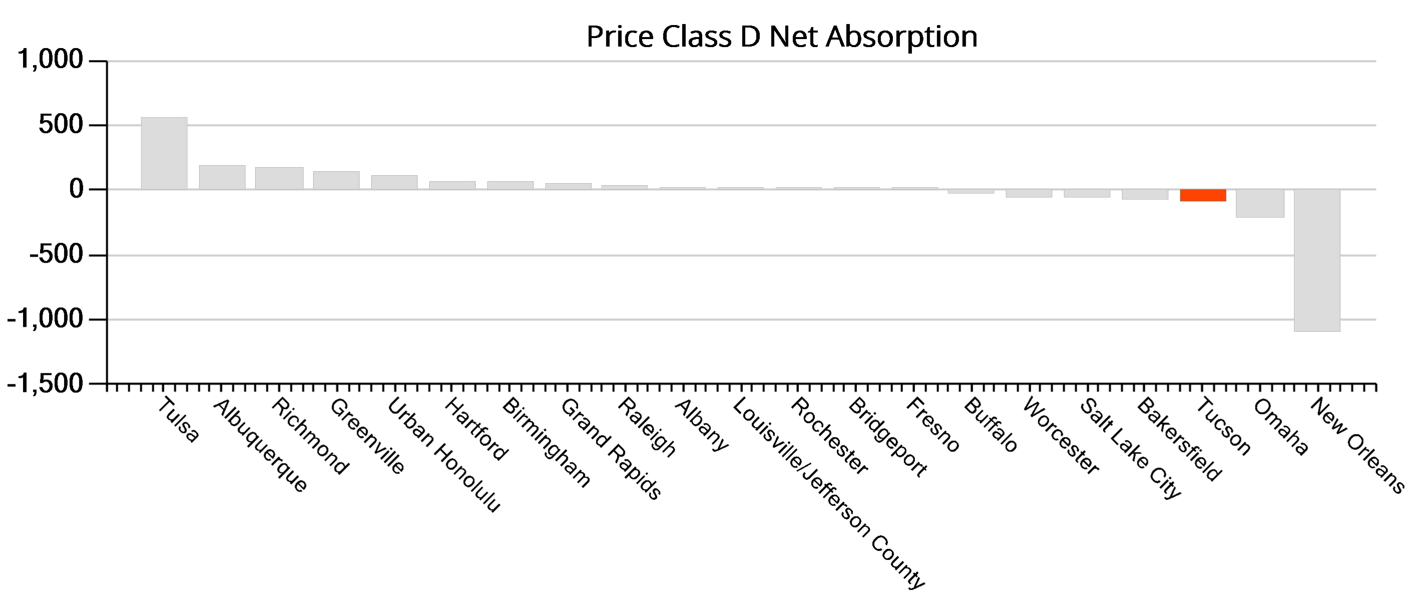
Class D	**82**	**13,235**	**-91**	**93.9%**	**-0.7%**	**$1,044**	**11.0%**	**4.9%**	**3.0%**





quarterly msa report

About Us

ALN APARTMENT DATA
www.alndata.com

Established
1991

Headquarters
Carrollton, TX

Industry
Multifamily

Coverage
All 50 US States and DC
1000 Census MSAs (Metropolitan and Micropolitan)
Combined into 185 ALN Markets
168,627 Properties*
21,380,066 Units*
**stats change daily*

Newsletter
my.alndata.com/newslettersignup

Blog
alndata.com/blog

LinkedIn
linkedin.com/company/alnapartmentdata

Facebook
facebook.com/ALNApartmentData

Twitter
twitter.com/ALNAptData

Additional Information

With the inception of our Locator Program in 1991 and then ALN OnLine in 1993, our market coverage and platforms have grown to what ALN is known for today – market data with integrity. ALN has also developed two separate platforms specifically for Supplier Partners. Vendor Edge Plus is available in all markets across the country while Compass is a one-of-a kind nationwide Multifamily database.

All of our information is gathered by researchers, emails, faxes and data feeds from the owner/management companies. Information reflected today is available in our different database platforms.

From ALN's Research Team Call Centers in Dallas/Fort Worth and Mayfield, Kentucky to our sources within our markets that ALN diligently tracks, each completed survey has gone through a number of proprietary data checks that assure the information collected is correct. Information is obtained from sources deemed reliable; however, ALN Apartment Data provides neither warranties nor guarantees.

ALN's product set consists of conventional, affordable, senior (independent and affordable), student and military housing.

Vendor Edge Plus, ALN OnLine and Locator programs reflect 50+ unit properties. Compass reflects 1 unit or greater. ALN's database contains all property age categories.

ALN continues to provide multifamily professionals the tools they need to make data driven decisions and stay competitive in the nation's fastest growing markets. We are consistently updating and redefining our data to ensure our quality holds true for your expectations.

ALN OnLine
Management Companies, Brokers, Lenders, Appraisers, Tax Assessors, Acquisitions, Dispositions, Developers, Government Agencies, and more

Vendor Edge Plus & Compass
Multifamily Suppliers

Locator
Apartment Locators

Affiliate
Apartment Associations